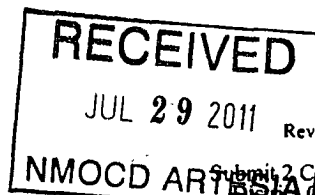


District I
1625 N. French Dr., Hobbs, NM 88240
District II
1301 W. Grand Avenue, Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico
Energy Minerals and Natural Resources

Oil Conservation Division
1220 South St. Francis Dr.
Santa Fe, NM 87505



Form C-141
Revised October 10, 2003

Submit 2 Copies to appropriate
Office in accordance
with Rule 116 on back
side of form

Release Notification and Corrective Action

nMLB/122847758

OPERATOR

☒ Initial Report ☒ Final Report

Name of Company	COG OPERATING LLC 229/37	Contact	Pat Ellis
Address	550 W. Texas, Suite 100, Midland, TX 79701	Telephone No.	432-230-0077
Facility Name	Aid State	Facility Type	SWD

Surface Owner	State	Mineral Owner		Lease No. (API#)	30-015-29569
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LOCATION OF RELEASE

Unit Letter	Section	Township	Range	Feet from the	North/South Line	Feet from the	East/West Line	County
O	14	17S	28E					Eddy

Latitude 32 49.800 Longitude 104 08.566

NATURE OF RELEASE

Type of Release	Produced water	Volume of Release	23bbls	Volume Recovered	21bbls
Source of Release	2" valve on fiberglass tank	Date and Hour of Occurrence	07/13/2011	Date and Hour of Discovery	07/13/2011 4:00 a.m.
Was Immediate Notice Given?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input checked="" type="checkbox"/> Not Required	If YES, To Whom?			
By Whom?		Date and Hour			
Was a Watercourse Reached?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	If YES, Volume Impacting the Watercourse.			

If a Watercourse was Impacted, Describe Fully.*

Describe Cause of Problem and Remedial Action Taken.*

A faulty 2" valve connection was found on the fiberglass water tank. The valve was replaced and the tank was returned to service.

Describe Area Affected and Cleanup Action Taken.*

Initially 23bbls of produced water was released from the 2" valve at the fiberglass tank at the Aid State SWD. We were able to recover 21bbls of the produced water that was released with a vacuum truck. All free fluid has been recovered. The release was completely contained inside the lined facility walls. All contaminated gravel has been removed and clean gravel has been added as necessary. The SWD has been returned to its prior condition.

I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NMOCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or regulations.

Signature:		OIL CONSERVATION DIVISION	
Printed Name: Josh Russo		Signed By: Approved by District Supervisor	
Title: HSE Coordinator		Approval Date: AUG 16 2011	Expiration Date: NA
E-mail Address: jrusso@conchoresources.com		Conditions of Approval: NA 	Attached <input type="checkbox"/>
Date: 07/13/2011 Phone: 432-212-2399			

* Attach Additional Sheets If Necessary

2RP-850